

STAND. COM. REP. NO.

1413

Honolulu, Hawaii

April 4, 2013

RE: S.B. No. 1066  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1066, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SECURITIES LAW,"

begs leave to report as follows:

The purpose of this measure is to make clarifications and corrections to Hawaii's securities laws. Specifically, this measure:

- (1) Corrects a grammatical error in the definition of the term "security";
- (2) Amends the definition of "security" to correctly state the fourth element of an investment contract as determined by the Hawaii Supreme Court in *State v. Hawaii Market Center, Inc.*, 52 Haw. 642, 485 P.2d 105 (1971); and
- (3) Corrects an erroneous citation to the federal Securities and Exchange Act of 1934.

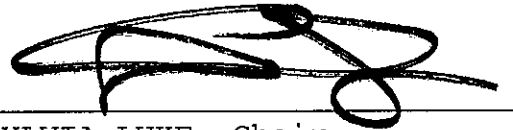
The Department of Commerce and Consumer Affairs and AARP Hawaii submitted testimony in support of this measure.

SB1066 HD1 HSCR FIN HMS 2013-3060



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1066, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



SYLVIA LUKE, Chair



State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR 1418

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> SB 1066, HD1	<b>Committee Referral:</b> CPC, FIN	<b>Date:</b> 3/27/13		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)	/			
4. CULLEN, Ty J.K.				/
5. HASHEM, Mark J.	/			
6. ING, Kaniela	/			
7. JORDAN, Jo	/			
8. KOBAYASHI, Bertrand	/			
9. LOWEN, Nicole E.	/			
10. MORIKAWA, Dee	/			
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg				/
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth	/			
17. WARD, Gene	/			
<b>TOTAL (17)</b>	15			2
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 10pt;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b>				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				